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May 7, 2007

Beam Global Spirits & Wine, Inc. 510 Lake Cook Road Deerfield, IL 60015 Attn: Thomas J. Flocco

President and CEO

RE: Beam Global's Commitment to Voluntary Principles

Dear Mr. Flocco:

Thank you for your letter of April 23, 2007, regarding Beam Global's announcement of Voluntary Principles establishing enhanced advertising and marketing placement practices designed to reduce exposure of persons under age 21 to promotional materials for Beam Global's products.

The undersigned State Attorneys General welcome Beam Global's commitment to place advertisements in broadcast, cable, radio, and print communications only when at least 75 percent of the audience is reasonably expected to be of legal drinking age, and to ensure that on average at least 85 percent of the audience for its annual suite of advertisements for each Beam Global brand in the respective medium is of legal drinking age. This means that Beam Global's ads will not appear in magazines or during television shows particularly popular with adolescents.

As you know, persons between the ages of 12 and 20 constitute approximately 15 percent of the U.S. population age 12 and above, and thus our position is that the alcohol industry should move to an 85 percent audience demographic threshold (based on a 12+ population) for the placement of alcohol advertisements. Therefore, Beam Global's commitment to these revised advertising placement policies represents a significant step forward in the ongoing effort to reduce underage drinking through limiting exposure of persons under age 21 to advertising for alcoholic beverages. As set forth in the landmark Institute of Medicine report, *Reducing Underage Drinking: A Collective Responsibility* (2003), moving as Beam Global has toward an 85 percent

standard for advertising placements is a useful improvement over the current alcoholic beverage industry practice, and demonstrates Beam Global's willingness to take a leading role in reducing underage exposure to alcohol advertising.

We applaud Beam Global's pledge not to introduce or market flavored malt beverages, products which appeal disproportionately to persons under age 21. We view this commitment as a meaningful and important step in combating underage drinking.

The Attorneys General recognize and commend Beam Global's leadership in stepping forward in this manner. We will call upon other members of the industry to follow Beam Global's lead and join in the effort to reduce underage drinking through reducing underage exposure to advertising for alcoholic beverages.

We look forward to working with Beam Global to address the important problem of underage drinking.

G. Steven Rowe

Attorney General of Maine

Talis J. Colberg

Attorney General of Alaska

Edmund G. Brown, Jr.

Attorney General of California

Edmand S. Brown

Richard Blumenthal

Attorney General of Connecticut

Very truly yours,

Charles C. Foti, Jr.

Attorney General of Louisiana

Terry Goddard

Attorney General of Arizona

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John W. Suthers

Attorney General of Colorado

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Attorney General of Delaware

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